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**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

STATE OF IDAHO, DEPARTMENT)	
OF FINANCE, SECURITIES BUREAU,)	Docket No. 2006-7-14
)	
Complainant,)	ORDER TO CEASE AND DESIST AND
vs.)	NOTICE OF THE OPPORTUNITY
)	FOR A HEARING
SHANE MICHAEL TURNER, an)	
individual, and NETWORK)	
FINANCIAL SERVICES, LLC,)	
)	
Respondents.)	
_____)	

Gavin M. Gee, Director of the Idaho Department of Finance (Director), being authorized and directed to administer and enforce the Uniform Securities Act (2004), Idaho Code § 30-14-102 *et seq.* (the Act), hereby alleges the following facts that constitute a basis for the issuance of an order pursuant to Idaho Code § 30-14-604(a)(1) requiring Shane Michael Turner and Network Financial Services, LLC (the Respondents), to cease and desist from violating the Act by selling unregistered securities to Idaho residents, engaging in misrepresentations or omissions of material fact, in connection with the offer, sale, or purchase of a security to Idaho residents, and

as to Shane Michael Turner only, engaging in securities activities outside of the scope of his regular employment.

RESPONDENTS

1. Respondent Shane Michael Turner (Turner) has been registered as a securities agent with the State of Idaho and the National Association of Securities Dealers, Inc. (NASD) since March 2003.

2. Respondent Network Financial Services, LLC is a successor organization to Network Investments, an entity that appears to have formerly been the assumed business name of Shane Michael Turner. On March 22, 2006 the assumed business name was cancelled by Turner; on the same date, articles of organization for a limited liability company called Network Financial Services, LLC were filed by Turner. Turner is listed as the president and appears to be the sole member of Network Financial Services, LLC. Network Financial Services has never been registered as an issuer of securities or a securities broker/dealer with the State of Idaho, Department of Finance, Securities Bureau (Department) under the Act, nor has it registered or otherwise qualified any security with the Department for offer or sale to Idaho residents.

FINDINGS OF FACT

3. Since at least April 3, 2006, Turner has been advertising and selling unregistered securities issued by Network Investments. The securities are in the form of 12-month corporate certificates of deposit with annual yields ranging from 7% to 8.4%. Turner's website at www.networkinvestments.net states that the certificates of deposit are insured through the "Security Investors Protection Corporation (SIPC)" (sic).

4. In offering the Network Investments securities, Respondent Turner engaged in securities activities outside the scope of his regular employment without the required authorization from his employing broker-dealer.

CONCLUSIONS OF LAW AND VIOLATIONS

COUNT ONE: OFFER OR SALE OF UNREGISTERED SECURITY **(Violation of Idaho Code § 30-14-301)**

5. The allegations set forth in paragraphs 1 through 4 above are fully incorporated herein by this reference.

6. The “corporate CDs” offered and sold by the Respondents are securities as defined in Idaho Code § 30-14-102(28).

7. Idaho Code § 30-14-301 provides that it is unlawful for a person to offer or sell a security in Idaho unless: (a) the security is a federal covered security; (b) the security, transaction or offer is exempted from registration under Idaho Code §§ 30-14-201 through 30-14-203; or, (c) the security is registered under the Act. The Department has made reasonable inquiry and based on that inquiry concludes that the securities offered and sold by the Respondents are not federal covered securities and are not exempt from the registration requirement of Idaho Code § 30-14-301.

8. The Respondents’ offer or sale of a security to Idaho residents without properly registering such security with the Department constitutes a violation of Idaho Code § 30-14-301.

COUNT TWO: SECURITIES FRAUD **(Violation of Idaho Code § 30-14-501)**

9. The allegations set forth in paragraphs 1 through 8 above are fully incorporated herein by this reference.

10. Idaho Code § 30-14-501(2) provides that it is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly, to make an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

11. The Respondents represented to investors that the securities being offered and sold were insured by SIPC, “a government entity very similar to FDIC, except used to protect investors through brokerage accounts.” However, the Department has learned from SIPC that these investments are not insured by that entity. The Respondents’ misrepresentation concerning SIPC insurance constitutes a material misrepresentation in connection with the offer, sale or purchase of a security, in violation of Idaho Code § 30-14-501(2).

COUNT THREE: SECURITIES FRAUD
(Violation of Idaho Code § 30-14-501)

12. The allegations set forth in paragraphs 1 through 11 above are fully incorporated herein by this reference.

13. Idaho Code § 30-14-501(3) provides that it is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly, to engage in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person. Engaging in securities activities outside the scope of an agent’s regular employment without the authorization of the agent’s employer (“selling away”) is deemed to be a fraudulent practice pursuant to IDAPA 12.01.01.104.46.

14. Respondent Turner’s acts of selling securities outside of the scope of his regular employment with a registered broker-dealer constitutes a violation of Idaho Code § 30-14-501(3) and IDAPA 12.01.08.104.46.

REQUESTED RELIEF

15. Idaho Code § 30-14-604(a)(1) provides that if the Director determines that a person has engaged, is engaging, or is about to engage in an act, practice, or course of business constituting a violation of the Act, the Director may issue an order directing the person to cease and desist from engaging in the act, practice, or course of business or to take other action necessary or appropriate to comply with the Act.

16. Idaho Code § 30-14-604(d) provides that the Director may impose a civil penalty not to exceed five thousand dollars (\$5,000) for each violation in a final order issued under Idaho Code § 30-14-604(c).

17. Idaho Code § 30-14-604(e) provides that the Director may impose the actual cost of investigation for a violation of the Act in a final order issued under Idaho Code § 30-14-604(c).

ORDER

The Director, having reviewed the foregoing, and good cause being shown therefore,

THE DIRECTOR HEREBY FINDS that the Respondents have violated the Uniform Securities Act (2004), Idaho Code § 30-14-101 *et seq.*, as alleged in paragraphs 1 through 17 above.

NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

The Respondents shall CEASE AND DESIST from violations of the Uniform Securities Act (2004) and rules promulgated thereunder, to include offering or selling unregistered securities to Idaho residents, and engaging in securities fraud by misrepresenting material facts in connection with the offer, sale or purchase of a security to Idaho residents, and by selling away.

The Director intends to seek a civil penalty of \$5,000 for each violation, pursuant to Idaho Code § 30-14-604(d), and costs of investigation in this matter, pursuant to Idaho Code § 30-14-604(e) at a hearing in this matter, or in a final order, should no hearing be requested. Pursuant to Idaho Code § 30-14-604(b), this Order is effective on the date of issuance.

NOTICE OF THE OPPORTUNITY FOR A HEARING

The Respondents shall take notice that if the Respondents wish to contest the foregoing ORDER TO CEASE AND DESIST, the Respondents shall file a request for hearing pursuant to Idaho Code § 30-14-604(b) within thirty (30) days after the service of this ORDER TO CEASE AND DESIST. If the Respondents do not timely request a hearing and none is ordered by the Director within that time period, the ORDER TO CEASE AND DESIST, which may include a civil penalty or costs of the investigation, becomes final as to the Respondents by operation of law. If a hearing is timely requested or ordered, the Director, after notice of and opportunity for a hearing, may modify or vacate the ORDER or extend it until final determination.

A request for a hearing must be requested in writing addressed to:

Marilyn T. Chastain
Securities Bureau Chief
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

A copy of such request must also be served on the Department's counsel, A. Rene' Martin, Deputy Attorney General, at the same address.

If a hearing is timely requested or ordered pursuant to Idaho Code § 30-14-604(b), a hearing will be set by the Director within fifteen (15) days after receipt of a timely written request, and such hearing will be conducted pursuant to Chapter 52, Title 67, Idaho Code. A final order may not be issued unless the Director makes findings of fact and conclusions of law

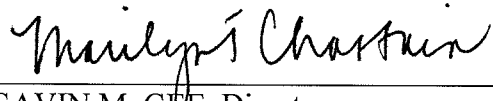
in a record pursuant to Chapter 52, Title 67, Idaho Code. The final order may make final, vacate, or modify the ORDER.

If the Respondents require any assistance of the kind the Department provides under the Americans with Disabilities Act (*e.g.* sign language interpreters, Braille copies of documents) in order to participate in or understand these proceedings, the Department will supply such reasonable assistance upon an advance request.

This ORDER TO CEASE AND DESIST is effective upon its issuance.

IT IS SO ORDERED.

DATED this 18th day of April, 2006.


GAVIN M. GEE, Director
Idaho Department of Finance

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 19th day of April, 2006, I served a true and correct copy of the foregoing ORDER TO CEASE AND DESIST AND NOTICE OF OPPORTUNITY FOR A HEARING by hand-delivery upon the following:

Shane Michael Turner
921 S. Orchard Street, Suite D
Boise, Idaho 83705

Network Financial Services, LLC
c/o Shane Michael Turner, in his capacity as the sole officer and member of Network Financial Services, LLC
921 S. Orchard Street, Suite D
Boise, Idaho 83705

